

Tracking income for a farming family

Using a case study about a farming family, students calculate weekly and monthly net income and explore how irregular income may make it challenging to manage monthly expenses. This activity includes strategies to support English language learners.

Learning goals

Big idea

Knowing your monthly net income is helpful when creating and managing a budget.

Essential questions

- How does having a clear picture of monthly net income help you plan ahead and make and follow a budget?
- What types of challenges does irregular income present to money management?

Objectives



- Recognize different sources of income
- Use a financial tracker to organize income
- Begin to understand how monthly net income can vary due to irregular income

What students will do

- Learn key terms related to income.
- Use the "Tracking income for a farming family" worksheet to explore a case study looking at the income challenges of farmers and restaurant workers and to calculate weekly and monthly net income.

KEY INFORMATION

Building block:

-  Executive function
-  Financial knowledge and decision-making skills

Grade level: High school (9-12)

Age range: 13-19

Topic: Earn (Making money, Getting paid)

School subject: CTE (Career and technical education), Math, Social studies or history

Teaching strategy: Simulation, Cooperative learning

Bloom's Taxonomy level: Apply, Analyze

Activity duration: 45-60 minutes

STANDARDS

Council for Economic Education
Standard I. Earning income

Jump\$tart Coalition
Employment and income - Standard 2

- Explore how net income changes as a result of irregular income.

Preparing for this activity

- ☐ Print copies of all student materials for each student, or prepare for students to access them electronically.

What you'll need

THIS TEACHER GUIDE

Tracking income for a farming family (guide)

[bcbp_building_block_activities_tracking-income-farming-family_guide.pdf](#)

STUDENT MATERIALS

Tracking income for a farming family (worksheet)

[bcbp_building_block_activities_tracking-income-farming-family_worksheet.pdf](#)

Exploring key financial concepts

Having a clear picture of your total monthly income can help you create and manage a budget.

Income is the money you earn through hourly wages, salaries, tips, or commissions. It can also include money from qualified government programs, dividends on investments, tax refunds, gifts, and inheritances. You can have regular income (a set schedule and amount) or irregular income (inconsistent because the schedule or amount varies). If your income is irregular, it may be harder to cover your monthly expenses because you can't rely on a consistent amount. So, it can be helpful to save during months that you earn more money so you have enough to pay for living expenses when you earn less money.

The case study in this activity looks at some challenges that exist for seasonal farm workers, for whom full-time, year-round employment may not be available.

Teaching this activity

Whole-class introduction

- Distribute the “Tracking income for a farming family” worksheet, or have students access the worksheet electronically.
- Be sure students understand key vocabulary:
 - **Income:** Money earned or received such as wages or salaries, tips, commissions, contracted pay, government transfer payments, dividends on investments, tax refunds, gifts, and inheritances.
 - **Irregular income:** Inconsistent amounts of money you receive through work or investments; both the schedule and the amount may vary.
 - **Net income:** The amount of money you bring home in your paycheck after taxes and other deductions are taken out; also called take-home pay.
 - **Regular income:** A set amount of money you receive at the same time each week or month.

A tip for differentiating instruction

Helping English language learner (ELL) students learn key vocabulary is critical to helping them develop overall literacy skills. Encourage students to draw pictures or icons to help them better understand the meaning of key terms. You can also have students act out the words to help bring the concepts to life. While some of these concepts may be abstract, you could have students pantomime words or do a skit showing the differences between regular and irregular income.

Individual or group work

- Have students work individually, in pairs, or in small groups to review the case study about the Rodriguez family, a rural farming family.
 - To support English language learners, begin by reading the scenario aloud and have them read along with you.
 - Make sure students understand the details of the scenario. Help them identify the key points.

- Talk students through the required next steps for this activity. Be sure they understand that their task is to figure out average weekly net income for the months of February and July in the “Weekly earnings snapshot” section of the worksheet.
- Depending on the rules of your classroom, allow students to use calculators to help with the computations.
 - This can be especially helpful for students who struggle with mental math.
 - Additionally, you may want to pair struggling students with students who have a stronger command of multi-step math problems.
- Students will use the “Income tracker” section of the worksheet to convert the weekly net income into a monthly income statement.
- Have students answer the reflection questions to see how the this couple’s weekly earnings change when peach farming season is over.
 - Depending on the amount of time you have for this activity and your class focus and goals, you may ask students to describe their ideas in writing or provide evidence for the response with actual mathematical calculations.

Wrap-up

- Once they understand some of the challenges of irregular income, ask students to consider what advice they’d give this family about how to save for and pay their bills in the months when their irregular income sources provide them with less money.
 - The goal is for students to start to understand the importance of saving money when their income is higher to make up the difference when income is lower.

Suggested next steps

Consider searching for other activities that address the topic of earning, including making money, getting paid, or paying taxes.

Measuring student learning

- The answer guide below shows examples of what to look for in the regular and irregular income scenarios.
- Students' advice for this farming family should provide a picture of their broader understanding of the challenges that irregular income can pose for money management.

Keep in mind that students' answers for this advice may vary. The important thing is for students to have reasonable justification for their response.

Answer guide

WEEKLY EARNINGS

Family member	Source	Income calculation	Weekly income: February	Weekly income: July
Luisa	Server	Wages: \$3/hour x 20 hours Tips: \$40 + \$90 + \$130 Deductions: \$34.43 per week	\$60 wages + \$260 tips = \$320 minus deductions of \$34.43 = \$285.57	\$60 wages + \$260 tips = \$320 minus deductions of \$34.43 = \$285.57 net income per week
Miguel	April - October: Peach farmer	Wages (before taxes): \$14.42/hour x 40 hours per week Deductions: \$173.04 per week	\$0	\$14.42 x 40 = \$576.80 - \$173.04 in deductions = \$403.76 net income per week
Miguel	November - March: Security guard	Wages (before taxes): \$11/hour x 20 hours per week Deductions: \$66 per week	\$299.25	Stays the same: \$299.25
Total weekly income			\$439.57	\$689.33

MONTHLY EARNINGS

In February, when Miguel works security, they bring home \$439.57 per week, or \$1,758.28 monthly.

In July, when Miguel is farming, the couple makes \$403.76 per week after taxes, or \$1,615.04 net income per month. Their monthly net income during the summer is \$2,757.32, which is \$1,142.28 more per month than in the winter during December, January, February, and March.

Miguel's seasonal job provides steady income during the growing and harvesting season, but this couple's weekly income is less when Miguel isn't farming. Working as a security guard definitely helps out their cash flow, but saving money during the farming months may help them to manage expenses during the winter months, when they make less money.